

HONOLULU STAR-BULLETIN
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U.S. Judge Orders Cancellation of Rewald's \$3 Million Insurance

A federal judge yesterday allowed an insurance company to cancel two of Ronald Rewald's life insurance policies worth a total of \$3 million.

U.S. Judge Martin Pence agreed with Sovereign Life Insurance Co. of California that Rewald had provided false information about his financial situation and history when he took out the policies.

Insurance company attorney Jeffrey Portnoy also pointed out that had the insurance company known that Rewald claimed to be a CIA agent, it wouldn't have issued the policies.

"Clearly, the lives of spies for the United States government are not the risks that Sovereign Life takes," Portnoy said.

Portnoy said Rewald overstated his personal and corporate worth, failed to tell the insurance investigator that he had a criminal record and was in per-

sonal and corporate bankruptcy in Wisconsin.

IN FACT, Rewald told the insurance company that from 1973 to 1977, the time during which he was having trouble in Wisconsin, he was living in Hawaii. He also did not tell the truth about where he went to school, saying that he graduated from the University of Michigan.

It was disclosed during yesterday's hearing that Rewald's attorneys made a bizarre offer

to the insurance company shortly after Rewald attempted suicide last year.

Thinking that his policy had reached the point where it could not be contested by the insurance company for any reason, Rewald's attorneys sent the insurance company a letter demanding partial payment of the insurance premiums. If the insurance company did not pay, Rewald would kill himself, the letter said.

Ironically, the letter arrived only a few days before the policy matured to the point where it could not be challenged. Portnoy said the insurance company quickly took steps to challenge the policy.

Portnoy said the insurance company has agreed to pay \$10,000 to the estate of Rewald's bankrupt company which will go into the pool of money to be distributed to investors. In return, the estate will not press legal claims against the insurance company for more money.

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